

C. DUKES SCOTT
EXECUTIVE DIRECTOR

P.O. Box 11263
Columbia, S.C. 29211



Phone: (803) 737-0800
Fax: (803) 737-0801

DAN F. ARNETT
CHIEF OF STAFF

jnelson@regstaff.sc.gov

Jeffrey M. Nelson
Counsel for ORS

March 12, 2008

VIA E-FILING

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Application of Utilities Services of South Carolina, Inc. ("USSC") for adjustment of rates and charges and modifications to certain terms and conditions for the provision of water and sewer service
Docket No. 2007-286-WS
Response to USSC's Motion for Issuance of Order Approving Bond

Dear Mr. Terreni:

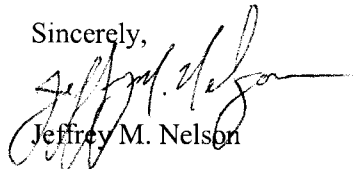
The South Carolina Office of Regulatory Staff ("ORS") has reviewed the Motion for Issuance of Order Approving Bond filed by the Applicant in the above referenced case and would like to voice its objection to one provision of the Motion.

In the last sentence of Paragraph 4 of the Motion, USSC states that "USSC further requests that the Commission allow USSC to make any refunds required (if the rates put into effect are finally determined to be excessive) by crediting existing customers' bills." ORS objects in part to this request on the basis that such a condition creates the potential for excluding reimbursement to current customers who may leave the system while the request for reconsideration or further appeal is pending.

ORS does not object to the use of bill credits for reimbursement of those who remain as customers of USSC at the end of any appeal. ORS does, however, request that the reimbursement provision of the requested bond include a condition whereby USSC is also required to make a refund to any customers which paid such rates under bond and are no longer USSC customers if the rates put into effect are finally determined to be excessive. Such a condition on the bond would ensure that the company is required to reimburse all customers who pay the higher rates under bond, and not just those who remain on the USSC system.

Should you have any questions or require additional information, please contact me.

Sincerely,



Jeffrey M. Nelson

cc: John M.S. Hoefer, Esquire
Benjamin P. Mustian, Esquire